

# Senior management and executive members of the Board of Directors<sup>1</sup> of OTP Bank



**Dr. Sándor Csányi**  
Chairman & CEO

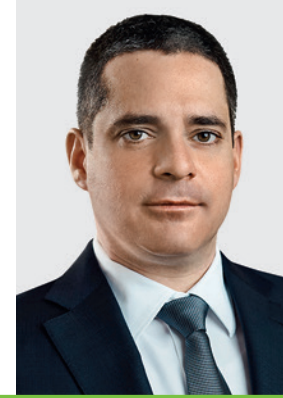
He graduated from the College of Finance and Accounting in 1974 with a bachelor's degree in business administration and in 1980 from the Karl Marx University of Economic Sciences (now: Corvinus University) with a master in economics and finance, where he also obtained his doctorate in finance between 1981-1983. He is a chartered auditor – certified in 1982 at the Ministry of Finance. After graduation he worked at the Tax Revenue Directorate and then at the Secretariat (Bank Supervision Section) of the Ministry of Finance. Between 1983 and 1986, he was a departmental head at the Ministry of Agriculture and Food Industry. From 1986 to 1989 he worked as a senior head of department at Hungarian Credit Bank (MHB). He was Deputy CEO of K&H Bank from 1989 to 1992. He has been the Chairman & CEO of OTP Bank Plc. since 1992. He is Vice Chairman of the Board of Directors of MOL Plc. and Co-Chairman of the Chinese-Hungarian Business Council. Owner of Bonitás 2002 Zrt. which is the holding company overlooking his investments in agriculture, food industry, real estate and asset management comprising of over 200 directly or indirectly owned companies. He is one of the largest investors in agriculture and food industry in the CEE region through Bonafarm Group and KITE generating aggregated annual revenue of EUR 2 billion with over 9,000 employees and with 40,000 hectares cultivated land in total. Bonafarm Group is vertically integrated whereby agriculture companies produce the raw materials for food processors. He has significant investments in real estate through his minority holding in Gránit Pólus (15%) and Limesdale (18.2%)

(portfolio of USD 1 bn), in VC (Bonitás Venture Capital Fund with EUR 20 mn funds under management) and asset management (CSAM in Singapore). He has been the President of the Hungarian Football Association (MLSZ) since 2010, and a member of the UEFA Executive Committee since March 2015; and the Vice President of the UEFA Executive Committee since 2019. Since 2017 he has been a member of the FIFA Council and the Vice President of the FIFA Council since 2018. Within UEFA he is also the Chairman of the UEFA National Team Competition Committee, a member of the UEFA Finance Committee and the UEFA Professional Football Strategy Council. He has been the owner of Pick Szeged Handball Club since 2011. He has been the Honorary Vice President of the International Judo Federation since 2008. Since 1995 he has been the Vice President of the Board of Trustees of the International Children's Safety Service, and since 2003 he has been the Chairman of the Board of Trustees of the Prima Primitiva Foundation. In 2005, he established the Csányi Foundation for Children from his own assets. Since 2009, he has been a member of the Board of Trustees of the Media Union for Social Awareness Formation Foundations. Since 2020, he has been the Chairman of the Board of Trustees of the Pro Sopron University Foundation. In 2021, he became Chairman of the Board of Trustees of the Foundation for the Hungarian Agricultural and Life Sciences University (MATE). As of 31 December 2022 he held 325,047 ordinary OTP shares (while the total number of OTP shares held by him directly and indirectly was 4,602,174).



**László Bencsik**  
Deputy CEO  
Strategy and Finance Division

In 1996, he graduated from the Faculty of Business Administration at the Budapest University of Economic Sciences, and in 1999 he obtained a Master's in Business Administration (MBA) from INSEAD Business School in France. Between 1996 and 2000 he worked as a consultant at Andersen Consulting (now Accenture). From 2000 to 2003 he was a project manager at consulting firm McKinsey & Company. He joined OTP Bank in 2003, when he became managing director of the Bank Operations Management Directorate, and the manager with overall responsibility for controlling and planning. He has been deputy CEO of OTP Bank, and head of the Strategy and Finance Division, since August 2009. Since 13 March 2012 he has been Chairman of the Supervisory Board of DSK Bank. As of 31 December 2022 he held 12,744 ordinary OTP shares.



**Péter Csányi**  
member of the BoD  
Deputy CEO  
Digital Division

He graduated from City University London in 2006 with a bachelor's degree in economics, then in 2007 with a master's degree in finance from the IE Business School in Madrid. In 2015, he received the Master of Business Administration (MBA) diploma from Kellogg School of Management in the USA. He began his career in 2006 at Merrill Lynch's London office as an intern and he was working on corporate finance projects for financial institutions. From 2007 to 2011, he worked at Deutsche Bank's London office, first as an analyst and later as an associate in the field of corporate finance (for Central and Eastern European corporate customers). From 2011-2016, he worked for McKinsey & Company Inc. as an associate mostly working on banking related projects. He joined OTP Bank in 2016 as Managing Director of the Digital Sales and Development Directorate. After the agile transformation at the Bank, he became responsible for the management of the Omnichannel Tribe from 2019. In addition, since January 2021, he has been the head of the Daily Banking Tribe. From March 2021, he is the Deputy CEO of OTP Bank, the head of the IT Division (as of 1 May 2021 Digital Division). From 2020 he has been Chairman of the Supervisory Board of OTP banka d.d. in Croatia. He is also a member of the OTP Mobil Kft. Supervisory Board and the Board of Directors of PortfoLion Ltd. He is also the head of the Digitization Working Group of the Hungarian Banking Association and a member of the Mastercard European Advisory Board. He has been a member of OTP Bank's Board of Directors since 16 April 2021. As of 31 December 2022 he held 9,648 ordinary OTP share.



**György Kiss-Haypál**  
Deputy CEO  
Credit Approval and Risk  
Management Division

He is a qualified economist. He graduated from the Budapest University of Economic Sciences in 1996. He started his career as a project finance analyst for Budapest Bank Plc., and by 2007 he had been appointed head of the bank's risk management department. Between 2002 and 2006 he also worked in Ireland as corporate credit risk portfolio manager for GE Consumer Finance Europe, and in Austria as GE Money Bank's consumer loans portfolio manager. Between 2008 and 2015 he was member of the Board of Directors of Budapest Bank. From 2015 he was deputy head of the Credit Approval and Risk Management Division of OTP Bank Plc., and was then appointed acting head of the Division. Since 3 May 2017, he has been deputy CEO of the Credit Approval and Risk Management Division. As of 31 December 2022 he held 10,905 ordinary OTP shares.



**Antal György Kovács**  
member of the BoD  
Deputy CEO  
Retail Division

He graduated from the Karl Marx University of Economic Sciences with a degree in economics. He began his professional career in 1990 at the Nagyatád branch of K&H Bank, where he worked as a branch manager between 1993 and 1995. He has been working at OTP Bank Plc. since 1995, first as a county director and from 1998 as the executive director of OTP Bank's South Transdanubian Region. Since 1 July 2007 he has been OTP Bank's Deputy CEO, until 31 December 2022 he was the head of Retail Division. He has received additional training at the International Training Centre for Bankers and on various courses held by the World Trade Institute. Between April 2007 and April 2012 he was Chairman of the Supervisory Board of OTP banka Hrvatska d.d. He has been Chairman of the Supervisory Board of OTP Bank Romania SA since 12 December 2012. He has been Chairman of the Board of Directors of OTP Mortgage Bank Ltd. and OTP Building Society Ltd. since 24 April 2014. He is Chairman of the Supervisory Board of OTP Fund Management and OTP Home Solutions Ltd. He was a member of OTP Bank's Supervisory Board from 2004 to 14 April 2016. He has been a member of OTP Bank's Board of Directors since 15 April 2016. As of 31 December 2022 he held 114,759 ordinary OTP shares (while the total number of OTP shares held by him directly and indirectly was 119,059).



**László Wolf**  
member of the BoD  
Deputy CEO  
Commercial Banking Division

He graduated from the Karl Marx University of Economic Sciences in 1983. After graduation, he worked at the Bank Relations Department of the National Bank of Hungary for 8 years, and then he was head of Treasury at BNP-KH-Dresdner Bank between 1991 and 1993. From April 1993 he was managing director of OTP Bank's Treasury Directorate, and since 1994 he has been the head of Commercial Banking Division as Deputy CEO. Since 2003 he has been a member of DSK Bank's Supervisory Board. He has been Chairman of the Board of Directors of OTP banka Srbija since 10 December 2010. He has been a member of OTP Bank's Board of Directors since 15 April 2016. As of 31 December 2022 he held 535,347 ordinary OTP shares.

<sup>1</sup> The members of the Board of Directors are elected by the General Meeting for a term of five years.

# Non-executive members of the Board of Directors of OTP Bank



**Tamás György Erdei**  
Deputy Chairman of the BoD  
BSc Business Administration

He graduated in 1978 with a degree from the College of Finance and Accounting. He began his professional career at OTP, in a variety of administrative roles (his last position was branch manager), before going on to work at the Ministry of Finance in the area of bank supervision. From 1983 he was employed by the Hungarian Foreign Trade Bank (today MKB), where he gradually worked his way up through the ranks. In 1985 he became managing director, in 1990 he was appointed Deputy CEO, then in 1994 he became CEO, and from 1997 until the end of March 2012 he was Chairman & CEO. Between 1997 and 2008, and between 2009 and 2011, he was the elected president of the Hungarian Banking Association. He is the Chairman of the Supervisory Board of the International Children's Safety Service. He has been a member of OTP Bank's Board of Directors since 27 April 2012. He has been the Chairman of OTP Bank's Risk Assumption and Risk Management Committee, and he was a member of the Nomination Committee between 2014 and 2020. He has been the Deputy Chairman of the Board of Directors of OTP Bank Plc. since April 2019 and the Chairman of the Work-out Committee since October 2019. He has been Chairman of the Board of Directors at OTP Factoring Ltd. since December 2019. As of 31 December 2022 he held 43,085 ordinary OTP shares.



**Gabriella Balogh**  
MSc Economics, specialization  
in marketing

She graduated as organizing chemical engineer from the University of Veszprém in 1993 and as marketing economist from the University of Economics, Budapest in 1997. She worked as a marketing associate between 1993 and 1998, as director of the Marketing Department from 1998 to 2005 and as managing director of the Marketing and Sales Directorate between 2005 and 2008 at OTP Bank Plc. She has been managing director of GoodStep Consulting Kft. since 2008. She fulfilled group management tasks as a Board of Directors member at the Central European Media and Publishing Company between 2010 and 2017. She has been co-owner and Board of Directors member of Net Media Plc. since 2016. She is Presidium member and Chairwoman of the Marketing and Media Board of the Hungarian Football Association. She is the Chairwoman of the Supervisory Board of Művészetek Palotája Ltd. She has been a member of OTP Bank's Board of Directors since 16 April 2021. As of 31 December 2022 she held 8,193 ordinary OTP shares.



**Mihály Baumstark**  
BSc Agricultural Business  
Administration, MSc Economics

He graduated with a degree in agricultural business administration at Gödöllő University of Agriculture (1973), and went on to do a masters in economics at the Karl Marx University of Economic Science (1981). He was employed by the Ministry of Agriculture and Food Industry between 1978 and 1989. When he left the Ministry he was Deputy head of the Investment Policy Department. Then he was managing director of Hubertus Bt., and from 1999 to 2011 he was deputy CEO and then Chairman & CEO of Villányi Winery Ltd. (now Csányi Winery Ltd.). He is currently retired. He was a member of OTP Bank's Supervisory Board from 1992 to 1999, and has been a non-executive member of OTP Bank's Board of Directors since 1999. He has been Chairman of OTP Bank's Ethics Committee since 2010, as well as a member of its Remuneration Committee since 2011. He was the member of the Nomination Committee between 2014 and 2020. As of 31 December 2022 he held 53,600 ordinary OTP shares.



**Dr. István Gresz**  
PhD Business Administration  
and Economics

He graduated from the College of Finance and Accountancy in 1974 and received a degree in economics from the Karl Marx University of Economic Sciences in 1980. He earned a PhD from the University of Economic Sciences in 1983. He has worked in the banking sector since 1989. Between 1989 and 1993 he was branch manager of Budapest Bank's Zalaegerszeg branch. From 1993 he was director of OTP Bank's Zala County Directorate, and from 1998 he was the managing director of the Bank's West Transdanubian Region. From 1 March 2006 until 14 April 2016 - when he retired - he was Deputy CEO of the Credit Approval and Risk Management Division. He was Chairman of the Board of Directors at OTP Factoring Ltd. between 2006 and 2017. He has been a member of OTP Bank's Board of Directors since 27 April 2012. As of 31 December 2022 he held 182,858 ordinary OTP shares.



**György Nagy**  
Msc International Economics

He graduated from the Department of International Foreign Economics of University of International Relations (Moscow) in 1989. He was a founding owner of Wallis Holding (founded in 1990) and he managed the Wallis Group as CEO until 2000. He founded Westbay Holding Kft. in 2004, the company's portfolio includes several successful investments. He has been the Chairman of the Hungarian Shooting Federation since 2012, Presidium member of the European Shooting Confederation (ESC) since 2013 and he was elected the Vice President of ESC in 2021. He has been a member of OTP Bank's Board of Directors since 16 April 2021. As of 31 December 2022 he held 34,800 OTP shares (while the total number of OTP shares held by him directly and indirectly was 1,118,955).



**Dr. Márton Gellért Vági**  
General Secretary  
Hungarian Football Association

He graduated in 1987 from the department of foreign economics at the Karl Marx University of Economic Science. From 1987 to 2000 he was lecturer at University of Economic Science of Budapest (today Corvinus University of Budapest) and from 1994 onwards associate professor and head of department. He has a university doctorate and a PhD in economics. He has authored or co-authored more than 80 studies, essays and books. Between 2000 and 2006 he worked at the State Holding and Privatisation Co. (ÁPV Zrt.), as managing director, Deputy CEO and then CEO. Between 2006 and 2010 he was Chairman of the National Development Agency. In various periods between 2000 and 2010, he was the Chairman of the Board of Directors of Magyar Villamos Művek, Paks Nuclear Power Plant and the National Textbook Publishing House. Between 2002 and 2010, he was a member of the Board of Directors of Földhitel és Jelzálogbank Nyrt., and the Chairman of the Board of Directors for 4 years. Since 2010 he has been general secretary of the Hungarian Football Association. He has been a member of UEFA's HatTrick Financial Assistance Committee since 2011. He has been a member of FIFA's Financial Committee since 2017. He was a member of OTP Bank's Supervisory Board between 2011-2021. He was a member of OTP Bank's Audit Committee between 2014-2021. He was a member of OTP Bank's Nomination Committee between 2020-2021. He has been a member of OTP Bank's Board of Directors since 16 April 2021. As of 31 December 2022 he held 8,500 OTP shares.



**Dr. József Zoltán Vörös**  
Professor emeritus, academician  
University of Pécs

He earned a degree in economics from the Karl Marx University of Economic Sciences in 1974. In 1984 he earned a PhD in economics from the Hungarian Academy of Sciences, and a Doctor of Science degree in 1993. He has been a member of the Hungarian Academy of Sciences since 2013. Between 1990 and 1993 he was the dean of the Faculty of Business and Economics, Janus Pannonius University (JPTE) in Pécs. In 1993 he attended a course in management for senior executives at Harvard University. From 1994 he was a professor at JPTE, from 2021 he has been professor emeritus. He was the senior Vice Rector of the University from 2004-2007, between 2007 and 2011 he was Chairman of the Economic Council of the University of Pécs. He has been a non-executive member of OTP Bank's Board of Directors since 1992. He has been Chairman of OTP Bank's Remuneration Committee since 2009, and member of its Risk Assumption and Risk Management Committee since 2014. As of 31 December 2022 he held 186,714 ordinary OTP shares.

# Members of the Supervisory Board<sup>2</sup> of OTP Bank

## Independent members:



**Tibor Tolnay**  
Chairman of the SB

He graduated from Budapest University of Technology as a qualified civil engineering in 1978, and in 1983 he obtained a degree in economic engineering. In 1993 he finished his studies as specialized economist at Budapest University of Economics. From 1989 to 1994, he was director of State Construction Company No. 21. From 1994 to 2015 he was Chairman & CEO of the already privatized Magyar Építő Joint Stock Company. He has been the managing director of Érték Ltd. since 1994. Since 2020 he has been the managing director of Fenyves Garden Ltd. From 2018 to 2021 he was President of the National Association of Entrepreneurs and Employers, since 2021 co-President. Since 1992 he has been a member of OTP Bank's Supervisory Board, and Chairman of the Supervisory Board since 1999. He was a member and Deputy Chairman of OTP Bank's Audit Committee between 2007 and 2011, and has been again since 2014. He has been the Chairman of OTP Bank's Nomination Committee since 2020. As of 31 December 2022 he held 54 ordinary OTP shares.



**Dr. József Gábor Horváth**  
Deputy Chairman of the SB  
Lawyer

He earned a degree in law from Eötvös Loránd University in Budapest in 1980. From 1983 he worked for the Hungarian State Development Bank. He has been a lawyer since 1986, and since 1990 has run his own law firm, which specialises in corporate finance and corporate governance. He has been a member of the Supervisory Board of OTP Bank since 1995, and was a member of MOL Plc.'s Board of Directors between 1999 and 2014. He has been Deputy Chairman of OTP Bank's Supervisory Board since 2007. He was Chairman of OTP Bank's Audit Committee between 2007 and 2011, and has been again since 2014. He has been a member of OTP Bank's Nomination Committee since 2020. He was a member of the Board of Directors of INA Industrija Nafta d.d. from 2014 to 2018. As of 31 December 2022 he held no ordinary OTP shares.



**Dr. Tamás Gudra**  
BSc Business Administration,  
Lawyer

He graduated as business administrator in 1993 from the College of Commerce and Catering. He is a Hungarian chartered auditor since 1997. He also obtained a university degree in 2010 as a lawyer at the Faculty of Law of Janus Pannonius University in Pécs. He worked as an auditor from 1993 to 2001 at Deloitte & Touche. Between 2001 and 2003 he was an accounting expert of subsidiaries at the Accounting and Tax Directorate of the Hungarian Oil and Gas Public Limited Company (MOL Rt). Then he was managing director at the Auditor, Financial and Accounting Directorate of the National Privatization and Asset Manager Plc. (ÁPV Zrt.) between 2003 and 2007 and became the director of Controlling Directorate at the Hungarian National Asset Manager Plc. (MNV Zrt.) from 2008 to 2010. Following these assignments, he worked as the CFO of the Hungarian Football Association from 2011 until June of 2020. As of July 2020, he became the group-level CFO of Bonafarm Zrt. He was a member of the Supervisory Board of OTP Lakás-takarék Zrt. between 2012 and 2021 and he is Chairman of the Hungarian Paralympic Committee's Supervisory Board since 2016. Since 2021 he has been property inspector of Hungarian University of Agriculture and Life Sciences, member of the Executive Committee of Pick Szeged Zrt., SOLE-Mizo Zrt. and MCS Vágóhid Zrt. He has been a member of the Supervisory Board and Audit Committee of OTP Bank since 16 April 2021. As of 31 December 2022 he held no ordinary OTP shares.



**Olivier Péqueux**  
Groupama International SA

He graduated from Institute of Actuaries of France, Polytechnique School and ENSAE Paris Tech. Started to work in 1998 as an insurance commissioner for the French Insurance Supervisory Authority. In 2003, he joined the French Ministry of Finance to take part in the pension law reform and the setup of a pension fund for French civil servants. Then he became technical adviser to the French Minister of health and pensions. In 2005 he joined Groupama Group, first in charge of the actuary and accounting department of Gan Patrimoine, a life insurance company, and then in 2007 as Chief Financial Officer of Groupama Paris Val de Loire. He moved to China in March 2011 as Deputy General Manager of Groupama China, in charge of finance, actuary and investments in the joint venture between AVIC and Groupama. From 2015 to 2017, he was the General Manager of Groupama AVIC. He has been the Chief International Officer of Groupama Assurances Mutuelles since March 2018. He has been Groupama Assurances Mutuelles Deputy CEO since September 2020. He has been a member of OTP Bank's Supervisory Board, and Audit Committee since 2018. As of 31 December 2022 he held no ordinary OTP shares.

## Employee delegates:



**Klára Bella**  
Director  
Large Corporate Department

She graduated from the College of Finance and Accountancy and later obtained a degree from the Budapest University of Economic Sciences. From 1992 to 1994 she worked as a clerk at the Fertőszentmiklós branch of OTP Bank. From 1994 to 1995 she was a lending consultant at Polgári Bank. From 1995 to 1996 she worked as a risk manager at the Central Branch of OTP Bank. From 1996 to 1997 she was authorizer in the Credit Approval and Risk Management Division. From 1997 to 2010 she was Deputy Managing Director at the Central Branch. From 2010 to 2016 she was Director at the Central Branch. Between 2017 and 2020, she was Director of the Corporate Directorate. Since 1 July 2020, she has been the Director of the Large Corporate Department of the Specialised Finance Directorate. She has been a member of OTP Bank's Supervisory Board, and representative of the Bank's employees since 12 April 2019. As of 31 December 2022 she held 408 ordinary OTP shares.



**András Michnai**  
Managing Director

He graduated in 1981 from the College of Finance and Accounting with a degree in business administration. He has been an employee of the Bank since 1974, and until 1981 held a variety of posts in the branch network. Following this he held a management position in the central network coordination department before returning to work in the branch network. From 1994, as deputy managing director, he participated in the central coordination of the branch network. Between 2005 and 2014 he was the managing director of the Bank's Compliance Department. He further expanded his professional skills, obtaining a Master's degree at the Budapest Business School, and is a registered tax advisor. He has been a member of OTP Bank's Supervisory Board, and representative of the Bank's employees, since 2008. He has been Secretary of OTP Bank's Employees' Trade Union since December 2011. As of 31 December 2022 he held 100 ordinary OTP shares.

<sup>2</sup> Supervisory Board members are elected by the General Meeting for a term of three years.

# Information for Shareholders

## General company data

### Date of foundation:

31 December 1990, registered by the Metropolitan Court of Budapest as Court of Registration on 28 October 1991 under company registration number 01-10-041585. The latest Bylaws may be requested from the company or may be downloaded from the Bank's website.

### Legal predecessor:

Országos Takarékpénztár, founded 1 March 1949.

### Registered head office

#### of OTP Bank Plc.

H-1051 Budapest, Nádor utca 16.  
Telephone: +36 1 473 5000

### Share capital:

OTP Bank's share capital as at 31 December 2022 was HUF 28,000,001,000, consisting of 280,000,010 ordinary shares of nominal value HUF 100 each.

## Ownership structure of OTP Bank Plc. as at 31 December 2022:

Description of owner	Total equity					
	1 January 2022			31 December 2022		
	Ownership share	Voting rights <sup>1</sup>	Quantity	Ownership share	Voting rights <sup>1</sup>	Quantity
Domestic institution/company	26.66%	26.97%	74,637,180	31.80%	31.84%	89,040,716
Foreign institution/company	66.69%	67.47%	186,733,858	50.05%	50.11%	140,129,576
Domestic individual	4.79%	4.84%	13,405,389	16.91%	16.93%	47,338,305
Foreign individual	0.11%	0.12%	319,712	0.52%	0.52%	1,464,494
Employees, senior officers <sup>2</sup>	0.48%	0.48%	1,341,018	0.55%	0.55%	1,526,762
Treasury shares <sup>3</sup>	1.16%	0.00%	3,251,484	0.13%	0.00%	354,144
Government held owner	0.07%	0.07%	188,326	0.05%	0.05%	139,946
International Development Institutions	0.04%	0.04%	120,871	0.00%	0.00%	3,183
Other <sup>4</sup>	0.00%	0.00%	2,172	0.00%	0.00%	2,884
<b>Total</b>	<b>100.00%</b>	<b>100.00%</b>	<b>280,000,010</b>	<b>100.00%</b>	<b>100.00%</b>	<b>280,000,010</b>

<sup>1</sup> Voting rights in the General Meeting of the Issuer for participation in decision-making.

<sup>2</sup> The shares indirectly owned by György Nagy, a member of the Board of Directors, were reclassified to the domestic individual category as of 31 December 2021.

<sup>3</sup> Treasury shares do not include the OTP shares held by ESOP (OTP Bank Employee Stock Ownership Plan Organization). Pursuant to Act V of 2013 on the Civil Code, OTP shares held by the ESOP are not classified as treasury shares, but the ESOP must be consolidated in accordance with IFRS 10 Consolidated Financial Statements standard. On 31 December 2022 ESOP owned 10,965,752 OTP shares.

<sup>4</sup> Non-identified shareholders according to the shareholders' registry.

## Stock exchange listing

The ordinary shares of OTP Bank Plc. are listed on the Budapest Stock Exchange under category "Premium Equity", and the global depository receipts (GDRs) representing the ordinary shares that are traded abroad are listed on the Luxemburg Stock Exchange and the London Stock Exchange. (2 GDRs represent 1 ordinary share.) The depository bank for OTP GDRs is the Bank of New York Mellon.

(Stock exchange symbol for OTP Bank shares: OTP, Reuters: OTPB.BU)

## Participation and voting rights at the Annual General Meeting

**The General Meeting will be conducted with the personal presence of those entitled to participate. Shareholders may participate in the General Meeting in person or through**

**a proxy.** OTP Bank Plc. is entitled to check the personal identity of the shareholders and their proxies on the basis of documents, prior to their admission to the General Meeting.

The authorisations relating to representation as a proxy at the General Meeting must comply with the relevant provisions of Hungarian law. The authorisation must include, clearly and expressly, a statement of authorisation with respect to the proxy, a specification of the authoriser and of the proxy, and any limitations that may apply to the authorisation. The authorisation must be issued in the form of a notarised deed or a private document of full probative force.

One representative may represent several shareholders; however, he/she must possess authorisations from every shareholder represented by him/her, either in the form of a notarised deed or a private document of full probative force. If several proxies are indicated in one authorisation, then it must be specified that, under the authorisation, each proxy may exercise his/her right of representation independently. If one shareholder is represented by several proxies, they may not vote or make statements differently from each other.

The letter of proxy may be issued as valid for one general meeting, or for a specified period, but for a maximum of twelve months. The letter of proxy – in the absence of a provision to the contrary – shall extend to a general meeting convened to continue a suspended general meeting, or a general meeting that has been reconvened due to lack of quorum.

If a shareholder is represented at the General Meeting by its lawful representative (e.g. chief executive, managing director, mayor, etc.), the court or company court document evidencing the right of representation – in its original form, or in the form of a copy certified as authentic by a notary public, issued not more than 30 days previously – or a certificate regarding the election of the mayor, as the

case may be, must be presented at the venue of the General Meeting. When providing evidence of the existence of companies (and other organisations) registered abroad, and of the right to represent the entity issuing the authorisation, it is essential that the foreign document has to be issued by a certified public records body or that these facts have to be attested by a notary public.

If the authorisation or any document submitted as evidence of the representation right was not issued in Hungary, the form of the document must satisfy the legal regulations pertaining to the certification and/or legalisation of documents issued abroad. According to these regulations, in the absence of a bilateral international agreement to the contrary, (i) the diplomatic certification and/or legalisation of the document is needed, or (ii) – if the given country is a party to the relevant international convention – the furnishing of the document with an apostille is required. According to the Subparagraph (7) of Paragraph 44 of Act LXXVIII of 2017 on the Activity of attorney at law, diplomatic certification and /or legalisation or apostille certification is not required for full probative force of a document countersigned by an attorney which is under the scope of this Act, but signed by the parties abroad. Detailed information on the applicable rules is provided by the Hungarian foreign representation offices. If the document is written in a language other than English or Hungarian, then a certified Hungarian translation of the document must be presented.

**The authorisation and the related documents must be handed over by 14:00 Budapest time on 25 April 2023 (Tuesday) at the very latest, at any of the designated OTP branches listed under section X below, or – if the proxy, based on a foreign document, is representing more than one shareholder – at the Legal Directorate of OTP Bank Plc. (H-1051 Budapest, Nádor utca 16.).**

**Preconditions for participation in the General Meeting and for the exercising of voting rights are that:**

- a) the result of the shareholder identification procedure confirms the shareholding as at the date of the shareholder identification procedure;
- b) the shareholder be registered in the Company's Share Register by the closure of the register as specified in section III of this announcement;
- c) the shareholding and/or the voting rights of the shareholder do not violate the legal regulations or the provisions of the Company's Articles of Association, and the Company shall check this circumstance.

## Dividend

On 28 April 2023 OTP Bank Plc.'s Annual General Meeting decided to pay dividend HUF 300 dividend per share for for the year 2022, i.e. 300% of the share face value. The actual dividend rate paid to shareholders shall be calculated and paid based on the Company's Articles of Association, so the Company distributes the dividends for its own shares among the shareholders entitled for dividends.

The dividends shall be paid from 5<sup>th</sup> of June 2023 in accordance with the policy determined in the Articles of Association.

## Announcements

OTP Bank Plc. fulfils its disclosure obligations related to corporate events and prescribed in Act CXX of 2001 on the website of the OTP Bank Plc. ([www.otpbank.hu](http://www.otpbank.hu)), on the website of the Budapest Stock Exchange ([www.bet.hu](http://www.bet.hu)), and on the website operated by the National Bank of Hungary ([www.kozzetetelek.hu](http://www.kozzetetelek.hu)).

## Investor relations

Institutional shareholders of OTP Bank Plc. should contact the following address if they require further information:

### **OTP Bank Plc. Investor Relations & DCM**

H-1051 Budapest, Nádor utca 16.

Telephone: +36 1 473 5460

e-mail: [investor.relations@otpbank.hu](mailto:investor.relations@otpbank.hu)



# Anti-money laundering measures

Money laundering is any act or attempted act by criminals or other persons to conceal or disguise the identity of obtained proceeds of criminal offences so that they appear to have originated from legitimate sources, for which they may try using the services of financial institutions.

In order to prevent the use of our bank for money-laundering purposes, we do our best to ascertain the true identities of those who would use our services and the rationale of using the services. OTP Bank establishes business relationship only with those clients who give evidence of their true identities in accordance with the relevant legal provisions.

In keeping with the provisions of Act LIII of 2017 on the Prevention and Combating of Money Laundering and Terrorist Financing OTP Bank has introduced, and applies, the following measures and rules:

- It operates an internal control and information system designed to prevent

banking or financial transactions that might enable, or in themselves constitute, money laundering.

- It has internal regulations, in accordance with the Anti-money Laundering Act, MNB Decree 26/2020 (VIII. 25.) and NGM Decree 21/2017 (VIII. 3).
- The employees of the bank must fulfil their customer due diligence and reporting obligations.
- Compliance with the reporting obligations is not construed as a breach of bank, securities, insurance or business secrets.
- Failure to fulfil the reporting obligation may result in prosecution under criminal law.
- OTP Bank cooperates with the criminal investigation authorities in the investigation of all circumstances suggestive of money laundering.

OTP Bank discloses the customer identification procedure applied by the bank and the related data processing in an Announcement posted in all rooms open for serving customers.

# Sustainability reporting annex

## Employee data

### GRI 2-7 Employees under permanent versus temporary contracts by region, 31.12.2022:

	Permanent		Temporary	
	%	persons	%	persons
Hungary	96.5%	13,001	3.5%	477
Bulgaria	95.6%	5,309	4.4%	246
Croatia	92.5%	2,363	7.5%	192
Serbia	95.0%	2,667	5.0%	127
Slovenia	98.3%	909	1.7%	16
Romania	95.7%	1,788	4.3%	80
Ukraine	97.1%	2,373	2.9%	72
Russia	97.2%	7,036	2.8%	202
Montenegro	90.2%	450	9.8%	49
Albania	94.4%	473	5.6%	28
Moldova	84.2%	756	15.8%	142
Malta	80.0%	4	20.0%	1
OTP Group	95.8%	37,129	4.2%	1,646

### GRI 2-7 Full and part time employees by regionally, 31.12.2022:

	Full time employees		Part-time employees	
	%	persons	%	persons
Hungary	91.9%	12,380	8.1%	1,098
Bulgaria	93.9%	5,217	6.1%	338
Croatia	98.5%	2,516	1.5%	39
Serbia	99.4%	2,790	0.6%	18
Slovenia	96.4%	892	3.6%	33
Romania	97.6%	1,824	2.4%	44
Ukraine	96.6%	2,362	3.4%	83
Russia	91.0%	6,587	9.0%	651
Montenegro	99.2%	495	0.8%	4
Albania	100.0%	501	0.0%	0
Moldova	99.2%	891	0.8%	7
Malta	60.0%	3	40.0%	2
OTP Group	94.0%	36,458	6.0%	2,317



GRI 401-1 **GRI 401-1 Employees left, employees hired, 2022:**

	<b>Left</b>	<b>New hires</b>
<b>OTP Bank</b>	<b>1,281</b>	<b>1,707</b>
<b>Per country – OTP Group</b>		
Hungary	1,805	2,309
Bulgaria	1,120	899
Croatia	228	231
Serbia	518	433
Slovenia	89	111
Romania	367	454
Ukraine	1,018	396
Russia	4,962	2,989
Montenegro	64	33
Albania	108	140
Moldova	166	170
<b>By gender – OTP Group</b>		
Men	2,462	2,407
Women	7,985	5,761
<b>By age group – OTP Group</b>		
Under 30 years	4,639	4,221
Between 30–49 years	4,687	3,431
Over 50 years	1,121	516
<b>Total – OTP Group</b>	<b>10,447</b>	<b>8,168</b>

GRI 205-2 **Distribution of employees by position, number of employees, 31.12.2022:**

	<b>OTP Bank</b>	<b>OTP Group</b>
Senior manager	6	82
Middle manager	1,361	3,638
Employees	9,149	35,055

GRI 402-1 **Minimum notice periods regarding significant operational changes that could substantially affect employees:**

	<b>Minimum notice periods</b>	<b>Does the Collective Bargaining Agreement set out a minimum period of notice and provisions for consultation and negotiation?</b>
OTP Bank and Hungarian subsidiaries with collective bargaining agreements	15 days	yes
Additional Hungarian subsidiaries	15 days	no
DSK Bank	45 days	yes
OTP Croatia	8 days	yes
OTP Bank Serbia	8 days	yes
SKB Bank	30 days	yes
OTP Bank Romania	20 working days	yes
OTP Bank Ukraine	60 days	no
OTP Bank Russia	30 days	no
CKB	8 days	no
OTP Bank Albania	1–3 months	no
OTP Bank Moldova	5 working days	no

## GRI 404-2 Programmes provided to upgrade employee skills and to facilitate continued employability and the management of career endings in 2022:

	OTP Bank	OTP Group
In-house training courses	Available	Typically available
Support for external trainings or education programmes	Available	Typically available
Leave of absence for studying, with job guaranteed to be reserved	Available	Typically available
Continued training for those who intend to keep on working after retirement	Not available	Typically not available
Severance pay	Available	Typically available
If the organisation provides severance pay, does it take into account the employee's age	Yes	Partly yes
If the organisation provides severance pay, does it take into account the number of the employee's years of service	Yes	Typically yes
Jobseeker assistance for employees made redundant	Not available	Typically not available
Assistance during the transition to life without employment	Not available	Typically not available

Weighted average by employee headcount.

Typically not available/Typically no: available at less than 50% of the members of the Group.

Partly available: available at 51-70% of the members of the Group.

Typically available: available at 71-99% of the members of the Group.

## GRI 207-4 Country by country taxation:

Country	Revenue from sales to third parties	Revenue from transactions within the Group and between countries	Profit before tax (+) profit/(-) loss	Tangible assets and inventories	Income tax on a cash-flow basis	Income tax liabilities recognised against profit after tax (IAS 12) excluding deferred tax	Statutory corporate tax rate	Effective tax rate excluding deferred tax
	1	2	3	4	5	6	7	8=6/3
	HUF million							
Albania	24,989	235	6,283	11,152	1,761	2,075	15.0%	33.0%
Bulgaria	244,023	35,694	139,674	67,022	8,655	11,711	10.0%	8.4%
Cyprus	0	905	883	0	0	147	12.5%	16.6%
Netherlands	0	0	(55)	0	0	0	25.8%	not applicable
Croatia	119,225	9,212	50,693	25,950	5,529	12,519	18.0%	24.7%
Hungary	1,567,482	69,966	95,321	276,720	30,800	26,341	9.0%	27.6%
Malta	3	24,457	5,822	19	866	361	35.0%	6.2%
Moldova	37,454	0	9,445	6,432	754	1,207	12.0%	12.8%
Montenegro	36,036	467	11,810	7,818	808	2,152	15.0%	18.2%
Russia	256,819	4,835	49,010	14,524	14,479	20,963	20.0%	42.8%
Romania	129,548	4,146	7,820	12,439	514	606	16.0%	7.7%
Serbia	137,435	3,869	42,888	37,108	1,412	5,335	15.0%	12.4%
Slovakia	0	0	(15)	0	0	0	21.0%	not applicable
Slovenia	53,800	7,139	29,124	10,455	5,467	5,536	19.0%	19.0%
Ukraine	148,438	771	(13,396)	7,205	3,364	2,584	18.0%	(19.3%)
<b>Total</b>	<b>2,755,250</b>	<b>161,696</b>	<b>435,310</b>	<b>476,843</b>	<b>74,411</b>	<b>91,537</b>	<b>-</b>	<b>-</b>

The data for Russia also include data for Velvin Ventures Ltd., a company incorporated in Belize, on account of its tax residency in Russia. The effective tax rate is the quotient of the actual income tax expense for the current year, as recognised in the profit and loss statement as per IAS 12, and the profit before tax, including the amount of dividends received.

The amount of tax liability taken into account in the calculation of the effective tax rate does not include the amount of deferred taxes.

The effective tax rate in the various countries may differ from the corporate tax rate under local tax laws.

The deviation can typically be traced back to the following:

- The preparation of consolidated accounts under IFRS requires some adjustments to the data of individual statements prepared in accordance with local accounting standards in order to comply with IFRS. The effective tax rate calculated using these adjusted figures may deviate from the tax rate under local tax laws.
- Revenue that does not create a tax base (e.g. dividend) or expenses that are not permanently deductible for tax purposes;
- Withholding taxes levied abroad and other taxes imposed in addition to corporate tax that are considered income taxes (e.g. Croatian bank tax, Hungarian local business tax and innovation contribution);
- Loss used in the tax year.

## GRI Content Index

The GRI content index contains technical information on sustainability reporting and the use of the GRI Standards, and shows the disclosures/indicators on which, and where, the OTP Group reports.

### GRI 2-2, 2-3 **Characteristics of the Sustainability Reporting:**

<b>Declaration on use</b>	<b>OTP Bank Plc. has reported in accordance with the GRI Standards for the period 01.01.2022 and 31.12.2022.</b>
<b>GRI 1 used</b>	<b>GRI 1: Foundation 2021</b>
<b>Applicable GRI Sector Standard(s)</b>	–
Entities covered	OTP Group: OTP Bank Plc. and subsidiaries consolidated under the IFRS @Annual report, supplementary data
Date of publication	28 April 2023
Reporting cycle	annual
Contact info:	csr@otpbank.hu
External assurance	independent (third party) assurance; assurance provider: Ernst&Young Ltd.
Presentation of data – breakdown	<ul style="list-style-type: none"> <li>• essentially OTP Bank and OTP Group;</li> <li>• breakdown by country, where required by the GRI;</li> <li>• financial data – OTP Core* and OTP Group.</li> </ul>
Presentation of data – time horizon	preferably, 5 years in retrospect

\* OTP Core is the business entity measuring the core activities of OTP Group Hungary. Its members in 2022: OTP Bank Plc., OTP Jelzálogbank Zrt., OTP Lakástakarék Zrt., OTP Faktoring Zrt., OTP Pénzügyi Pont Kft. and entities performing group financing activities; also included are OTP Bank Munkavállalói Rész tulajdonosi Program Szervezet (OTP Bank's Employee Stock Ownership Plan Organisation), OTP Kártyagyártó Kft., OTP Ingatlanüzemeltető Kft., Monicomp Zrt., as well as OTP Ingatlanpont Ingatlanközvetítő Kft., OTP Mobil Szolgáltató Kft., OTP eBIZ Kft. and OTP Otthonmegoldások Kft.

Indicator number	Indicator description	Where to find it	Note/Reasons for omission
<b>GRI 2: General disclosures 2021</b>			
<b>The organisation and its reporting practices</b>			
2-1	Organisational details	p. 514, website, GRI Index	OTP Group is present in 15 countries, of which it has banks in 11 (where it performs monetary intermediary activities), engaging in significant operations.
2-2	Entities included in the organisation's sustainability reporting	pp. 194-195, GRI Index	We report in full on the companies covered, including all material topics, but not all material topics and indicators are relevant to all companies. Consolidation approach applied for the topic of GHG emissions: operational control. As regards acquisition the basic principle is that – unlike in the case of financial reporting – we report on a new member company when it has been a member of OTP Group for a full year. The 2022 sustainability disclosures did not therefore cover Alpha Bank Albania; OTP Ecosystem Kft., DSK Ventures EAD, OD Kft., Mendota Invest, Nepremicninska druzba, d.o.o. and ZA-Invest Delta Kft. were not, until the second half of 2022, covered by consolidation therefore they are not covered by the sustainability report either. DSK Operating lease EOOD, OTP eBIZ Kft. and DSK Mobile EAD ceased to be covered by financial consolidation during 2022 therefore they are still included in the sustainability disclosures.
2-3	Reporting period, frequency and contact point	p. 515	
2-4	Restatements of information	pp. 174-175, GRI Index	Information may be republished due to changes in data collection methodology or if corrections are needed for previously disclosed erroneous information; this is noted at the relevant place within the text, showing the effects of re-publishing.
2-5	External assurance	GRI Index, pp. 530-532	The external assurance provider is independent of OTP Group. Interview was conducted with the head of the ESG Subcommittee during certification.
<b>Activities and employees</b>			
2-6	Activities, value chain and other business relationships	p. 34, p. 96, p. 98, p. 121, p. 137, GRI Index, website	In addition to providing financial services, four consolidated companies of the OTP Group are operating in the agricultural and food sector. No material change occurred in the operation, value chain or relevant business relationships of the Group relative to 2021.
2-7	Employees	pp. 149-152, p. 512	
2-8	Workers who are not employees	p. 150, GRI Index	Data disclosed for the first time.
<b>Management</b>			
2-9	Governance structure and composition	FTJ: 1.1-1.4, pp. 98-99	
2-10	Nomination and selection of the highest governance body	FTJ: 1.1.2, 1.2.2, 1.13, GRI Index	The procedure of the nomination of the members of the Board of Directors and the Supervisory Board is disclosed by the Company in its Responsible Corporate Governance Report. Regarding the candidates, the Company observes MNB recommendation No. 1/2022 (I. 17.) and Act CCXXXVII of 2013 (Credit Institutions Act) concerning independence, diversity, professional competences and conflicts of interest alike. The EBA Guidelines underlying the MNB recommendation provides that when selecting members of the management body (i.e. nominating members), the collective suitability of the management body should also be ensured, for which members with as diverse professional expertise and experience as possible should be selected because owing to the broad range of expertise and experience (e.g. IT, AML, risk management, product development, compliance, HR, etc.), the requirement of the technical/professional diversity of management bodies is a quasi supervisory requirement. Collective assessment of the professional expertise, competences and experience is carried out on the basis of the methodology recommended by EBA. The Company also has a strategy for the promotion of gender diversity. Shareholders can make proposals for candidates in the framework stipulated by law. One member of the Supervisory Board is nominated by the Groupama group which has a larger than 5% share. One third of the Supervisory Board members are nominated by the Bank's works council from the Company's employees.
2-11	Chair of the highest governance body	GRI Index, FTJ: 1.2	The Chairman of the Supervisory Board is independent.
2-12	Role of the highest governance body in overseeing the management of impacts	pp. 98-99	
2-13	Delegation of responsibility for managing impacts	pp. 98-101, p. 112, p. 133, p. 139, p. 141, p. 146, pp. 172-173	
2-14	Role of the highest governance body in sustainability reporting	p. 94, GRI Index	The sustainability disclosure is approved by the Board of Directors as part of the business report.

Indicator number	Indicator description	Where to find it	Note/Reasons for omission
2-15	Conflicts of interest	p. 135, GRI Index, Code of Ethics, Compliance policy, FTJ: 1.2.2, 1.2.1 (p. 3), p. 27, p. 85, pp. 307-308, pp. 462-463	Code of Ethics: 3.3; Compliance policy abstract III.1.2 All employees must be familiar with the Conflict of Interest Policy. The Conflict of Interest Policy includes the conflict of interest rules on executive officers as well, providing inter alia that the members of the Board of Directors and the Supervisory Board must abstain from voting on any subject in relation to which they do or may have a conflict of interest or in the case of which their objectivity or their capability of adequately fulfilling their obligations towards the Bank may be compromised. The members of the boards regularly submit declarations regarding their interests in related parties, along with declarations on conflicts of interests. Records are kept of their interests as required by law to avoid conflicts of interests. Cases of cross share ownership with suppliers and other stakeholders are not reported by the Banking Group.
2-16	Communication of critical concerns	p. 99	
2-17	Collective knowledge of the highest governance body	GRI Index	The governing bodies are informed about the implementation of the ESG strategy. In 2022 the ESG training material of the governing body was prepared; comprehensive training will take place in 2023.
2-18	Evaluation of the performance of the highest governance body	FTJ: 1.12	
2-19	Remuneration policies	p. 99, p. 157, website	
2-20	Process to determine remuneration	p. 157, website1, website2	
2-21	Annual total compensation ratio	GRI Index	Preparation of reporting the indicator was started in 2022 but it was not finished by the end of the year. Collecting and aggregating adequate data at group level technically takes longer. Also, because of the very large differences between the average wage levels in the countries of the Banking Group, we are reflecting on the most relevant way to present this. The indicator will be presented in 2025 at the latest.
<b>Strategies, guidelines, practices</b>			
2-22	Statement on sustainable development strategy	pp. 6-7	
2-23	Policy commitments	p. 101, p. 135, website1, website2, GRI Index	Code of Ethics: A standard Code of Ethics is in force at all members of OTP Group; any deviations are due to compliance with local laws. The Code is available on the websites of OTP Bank and the subsidiaries. The Code recognises and respects international human rights.
2-24	Embedding policy commitments	p. 135	
2-25	Processes to remediate negative impacts	p. 139, website	
2-26	Mechanisms for seeking advice and raising concerns	p. 135	
2-27	Compliance with laws and regulations	pp. 137-138	
2-28	Membership in associations	website	
<b>Involvement of stakeholders</b>			
2-29	Approach to stakeholder engagement	pp. 126-127, p. 155, p. 162, website	@Stakeholder relations
2-30	Collective bargaining agreements	p. 154, GRI Index	The working conditions and the terms and conditions of employment of employees not covered by collective agreements at the members of the Banking Group are typically not determined on the basis of the collective agreement of the member company or other organisation.
<b>GRI 3: Material topics 2021</b>			
3-1	Process to determine material topics	pp. 93-94	
3-2	List of material topics	p. 95	
3-3	Management of material topics	GRI Index	The descriptions of the material topics are shown in italics in the introduction of chapter 2-7. If the description of any subparagraph is missing in relation to the given topic, it means that the Banking Group has no relevant practice. Our general principle is that we (also) use the topic specific indicators of the given topic as a method of evaluation of the efficiency of the actions taken; we use the indicator's expected data as the result. With other assessment methods, the presentation of the results always includes a clear reference to the method applied.

Indicator number	Indicator description	Where to find it	Note/Reasons for omission
<b>List of material topics</b>			
<b>Social impacts and indirect economic impacts of lending (ST1)</b>			
3-3	Management of material topics	p.91, p. 102, p. 114, p. 118, pp. 125–126	
203-2	Significant indirect economic impacts	p. 102, pp. 110–111, pp. 115–116, pp. 118–120 website	OTP Group does not employ a generic approach or objectives regarding indirect economic impacts of lending but treats individual impacts on the basis of a strategic approach. In relation to indirect economic impacts as well, we always act in accordance with the principle of ethical business behaviour.
FS6	Percentage of the portfolio for business lines by specific region, size (e.g. micro/SME/large) and by sector.	pp. 121-122, GRI Index	The report is not comprehensive as regards risk ratings (FS6 2.4).
FN-CB-410a.1.	Commercial and industrial credit exposure, by industry	pp. 121-122, GRI Index	We present assets by sector. (Partial compliance.)
<b>Indirect economic impacts of investments (ST2)</b>			
3-3	Management of material topics	p. 102, p. 110, p. 148	
203-2	Significant indirect economic impacts	p. 102, pp. 110–111, pp. 118–120, GRI Index, website	OTP Group does not employ a generic approach or objectives regarding indirect economic impacts of investments but treats individual impacts on the basis of a strategic approach. In relation to indirect economic impacts as well, we always act in accordance with the principle of ethical business behaviour.
<b>Impact on livelihoods and income levels (ST3)</b>			
3-3	Management of material topics	p. 92, p. 148, p. 157	
2-21	Annual total compensation ratio	GRI Index	Preparation of reporting the indicator was started in 2022 but it was not finished by the end of the year. Collecting and aggregating adequate data at group level technically takes longer. Also, because of the very large differences between the average wage levels in the countries of the Banking Group, we are reflecting on the most relevant way to present this. The indicator will be presented in 2025 at the latest.
<b>Tax payment (GRI 207 2019)</b>			
3-3	Management of material topics	p. 91, p. 133, p. 147	
207-1	Approach to tax	p. 91, p. 147, GRI Index	In accordance with the principle of equal tax treatment, OTP Group spares no effort to ensure maximum compliance with all relevant statutory regulations on tax liabilities, in view of the purposes of taxes and contributions.
207-2	Tax governance, control, and risk management	p. 147, pp. 198–208, GRI Index, website,	The information on the disclosed taxes as part of the consolidated financial statements was audited. The disclosure of the indicators 207-1, 207-2, 207-3 and 207-4 are audited as part of the sustainability disclosures.
207-3	Stakeholder engagement and management of concerns related to tax	p. 94, p. 147, website	
207-4	Country-by-country reporting	p. 149, p. 514	
<b>Contribution to economic stability (ST4)</b>			
3-3	Management of material topics	p. 91, p. 96, website	
201-4	Financial assistance received from government	p. 27, p. 85, pp. 140–141	
own indicator	EBA stress test result	GRI Index	Not in 2022.
own indicator	Tier1 rate	p. 36, pp. 49–50	
<b>Environmental impact and GHG emission of lending (ST5)</b>			
3-3	Management of material topics	p. 91, p. 93, p. 102, p. 172, website	
305-3	Other indirect (Scope 3) GHG emissions	p. 113, GRI Index	The indicator is applied only to the Scope 3 emissions of lending. Not reported for the time being; it will be disclosed first in 2024 after improvement of calculation accuracy. Improvement in calculation accuracy will be enabled by an increase in the range of publicly reported data and an improvement in their quality.
305-4	GHG emissions intensity	GRI Index	The indicator is applied only to the Scope 3 emissions of lending. Not reported regarding Scope 3 for the time being; it will be disclosed first in 2024 after improvement of calculation accuracy. Improvement in calculation accuracy will be enabled by an increase in the range of publicly reported data and an improvement in their quality.
305-5	Reduction of GHG emissions	p. 113, GRI Index	The indicator is applied only to the Scope 3 emissions of lending. Not reported for Scope 3 for the time being, reporting is expected to be started in 2026 in accordance with the decarbonisation strategy.

Indicator number	Indicator description	Where to find it	Note/Reasons for omission
201-2	Financial implications and other risks and opportunities due to climate change	pp. 103-104, pp. 111-114	
FN-MF-450a.3.	Description of how climate change and other environmental risks are incorporated into mortgage origination and underwriting climate change	pp. 111-112	Partially reported.
FN-CB-410a.2.	Description of approach to incorporation of environmental, social, and governance (ESG) factors in credit analysis	pp. 111-112	Partially reported.
<b>Green loan products (ST6)</b>			
3-3 own indicator	Management of material topics Disclosure according to the Taxonomy Regulation	p. 91, p. 93, p. 97, p. 102 pp. 105-106	
<b>Environmental impact and GHG emission of investment products (ST7)</b>			
3-3 FN-IB-410a.3.	Management of material topics Description of approach to incorporation of environmental, social, and governance (ESG) factors in investment banking and brokerage activities	p. 93, p. 102, p. 110 p. 110, GRI Index	Partially reported. Implementation and disclosure are determined by statutory requirements, because they also require the introduction of a number of new practices. The practices relating to the criteria (items 2-7) required by the indicator are improving continuously but they have not been fully developed, therefore their presentation is expected to start in a few years.
<b>Green investment products (ST8)</b>			
3-3 own indicator	Management of material topics Proportion of products according to Articles 8 and 9 of the SFDR	p. 93, p. 102, p. 110 p. 111	
<b>GHG emissions of operation (GRI 305 2016)</b>			
3-3	Management of material topics	p. 93, p. 113, pp. 172-173, website	
302-1	Energy consumption within the organisation	pp. 174-175	
305-1	Direct (Scope 1) GHG emissions	p. 175	We do not apply a base year.
305-2	Energy indirect (Scope 2) GHG emissions	p. 175	We do not apply a base year.
<b>Equal opportunity in accessing financial services (ST9)</b>			
3-3 own indicator	Management of material topics Number of branches by country	p. 92, p. 122, p. 127, pp. 131-132 p. 77	
FS13	Access points in low populated or economically disadvantaged areas by type	pp. 129-130	
own indicator	Accessibility for the disabled	pp. 130-131	
<b>Financial welfare (ST10)</b>			
3-3	Management of material topics	pp. 91-92, pp. 122-123, p. 125	
417-2	Incidents of non-compliance concerning product and service information and labelling	p. 138	In 2022 there was no non-compliance with voluntarily accepted codes regarding information provision on, and labelling of, products and services.
417-3	Incidents of non-compliance concerning marketing communications	p. 138	In 2022 there was no non-compliance with voluntarily accepted codes regarding marketing communications.
own indicator	Number of complaints related to product structure transparency	p. 140	
own indicator	Percentage of overdue loans over 90 days in the retail segment	p. 126	
<b>Prevention of money laundering (ST11)</b>			
3-3 own indicator	Management of material topics Number of reports related to money laundering	pp. 145-146 p. 147	
<b>Responsible employment (GRI 401 2016, 404 2016)</b>			
3-3	Management of material topics	p. 148, p. 159, website	
401-1	New employee hires and employee turnover	pp. 151-152, p. 513	
401-3	Parental leave	p. 160, GRI Index	Reporting on the number of persons entitled to parental leave can be started from 2024 due to the harmonisation of definitions and the implementation of data collection. In relation to correct retention rate the data supply is not sufficiently correct, therefore this is not stated here, we are working on its development.

Indicator number	Indicator description	Where to find it	Note/Reasons for omission
402-1	Minimum notice periods regarding operational changes	p. 154, p. 513	
404-1	Average hours of training per year per employee	p. 159	
404-2	Programmes for upgrading employee skills and transition assistance programs	p. 158, p. 514	
404-3	Percentage of employees receiving regular performance and career development reviews	p. 156	
403-9	Work-related injuries	pp. 162-164	Our legally compliant occupational health and safety risk assessment did not identify threats that may pose a risk of serious accidents.
own indicator	Programmes to help with stress management	p. 161	
own indicator	Employee engagement	p. 155	
<b>Equality of opportunities for employees (GRI 405 2016)</b>			
3-3	Management of material topics	p. 92, p. 148, p. 153, website, GRI Index	OTP Group has no comprehensive policy for giving preference to local residents in respect of employees and senior management.
202-2	Proportion of senior management hired from the local community	p. 153, GRI Index	Significant locations of operations: OTP Bank and foreign subsidiaries.
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	p. 157	
405-1	Diversity of governance bodies and employees	p. 152, GRI Index	Data on ethnic background is not listed owing to statutory regulations.
405-2	Ratio of basic salary and remuneration of women to men	p. 158, GRI Index	The disclosure of data on total remuneration can be implemented at Group level from 2025, because there is no single registry system for this at present
<b>Strengthening of financial awareness in vulnerable groups (ST12)</b>			
3-3	Management of material topics	p. 92, pp. 163-164	
FN-CB-240a.4.	Number of participants in financial literacy initiatives for unbanked, underbanked, or underserved customers	p. 165, p. 167	Partially reported
own indicator	Education for socially disadvantaged children	pp. 167-170	
own indicator	Financial literacy for people in disadvantaged areas	pp. 167-170	
<b>Customer data and information security (GRI 418 2016)</b>			
3-3	Management of material topics	p. 101, pp. 141-142, website	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	p. 142	
FN-CF-230a.2.	Card-related fraud losses from (1) card-not-present fraud and (2) card-present and other fraud	p. 144	Partially reported
own indicator	Ratio of bank card fraud to turnover	p. 144	
own indicator	Amount of prevented bank card fraud	p. 144, GRI Index	Reported only for OTP Bank.
<b>Anti-corruption activities (GRI 205 2016)</b>			
3-3	Management of material topics	p. 133, website, Code of Ethics, GRI Index	OTP Group is committed to reporting on political contributions.
205-1	Operations assessed for risk related to corruption	p. 136	



Indicator number	Indicator description	Where to find it	Note/Reasons for omission
205-2	Communication and training about anti-corruption policies and procedures	pp. 135-137, p. 152, p. 154, p. 513, GRI Index	The Anti-Corruption Policy is available on the websites of member companies. Each year the members of the governing bodies sign off on the Code of Ethics, i.e. they were fully - 100% - informed. They do not receive training. All employees receive annual training and information as a part of compliance training. We consider commissioned agents and suppliers as our business partners; all partners currently contracted to us were informed about the Code of Ethics at the time of contracting, which in not all cases took place in 2022.
205-3	Confirmed incidents of corruption and actions taken	p. 136	
415-1	Political contributions	GRI Index	OTP Group does not sponsor such persons or organisations.
<b>Compliance awareness (ST13)</b>			
3-3	Management of material topics	pp. 133-134, website, Code of Ethics	
206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	pp. 124-125	
2-27	Compliance with laws and regulations	pp. 137-138	
<b>Financing of high social risk sectors (ST14)</b>			
3-3	Management of material topics	p. 102, pp. 112-113	
own indicator	Exclusion and restrictive policies	p. 112	
<b>Non-discrimination (GRI 406 2016)</b>			
3-3	Management of material topics	p. 133, p. 135, p. 153, website1, website2	
406-1	Incidents of discrimination and corrective actions taken	p. 136	
410-1	Security personnel trained in human rights policies or procedures	p. 136, website	

## TCFD indicators:

Indicator description	Chapters*	Comment
<b>I. Management</b>		
<b>Governance of the organisation in relation to climate risks and opportunities</b>		
a, The governing body's oversight in relation to climate-related risks and opportunities	1, 2, 4	
b, Management's role in assessing and managing climate related risks and opportunities.	1	
<b>II. Strategy</b>		
<b>The actual and potential impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning where such information is material</b>		
a, The climate-related risks and opportunities the organisation has identified over the short, medium, and long-term.	2.2, 2.3, 2.4	Utilisation of the opportunities relating to climate is targeted by green financing, which is a dominant element of the ESG strategy. In the course of the risk assessment activities presented here we also take account of transition (actual and expected, regulatory, technological, market and reputation) risks and the (acute and chronic) physical risks alike.
b, The impact of climate-related risks and opportunities on the organisation's businesses, strategy, and financial planning.	2.2, 2.3, 2.4	
c, The resilience of the organisation's strategy, taking into consideration different climate related scenarios, including a 2°C or lower scenario.	2.4	
<b>III. Risk Management</b>		
<b>The way of the identification, assessment and management of climate risks</b>		
a, The organisation's processes for identifying and assessing climate related risks.	2.3, 2.4	
b, The organisation's processes for managing climate related risks.	2.3, 2.4	
c, How processes for identifying, assessing, and managing climate related risks are integrated into the organisation's overall risk management.	2.4	
<b>IV. Metrics and objectives</b>		
<b>The metrics and objectives used in the assessment and management of the relevant climate risks w here such details are relevant.</b>		
a, The metrics used by the organisation to assess climate related risks and opportunities in line with its strategy and risk management process.	Sustainability approach 2.2, 2.3, 2.4	The metrics and objectives are enhanced and they grow more and more accurate continuously.
b, Scope 1, Scope 2, and, if appropriate, Scope 3 greenhouse gas (GHG) emissions, and the related risks.	2.2, 2.3, 2.4, 7	
c, The targets used by the organisation to manage climate related risks and opportunities and performance against targets	Sustainability approach 2.2, 6	

\* The chapters are the chapters of Sustainability Activities of the OTP Group in 2022 and Environmental Policy and Environmental Protection Measures (pp. 90-180).

# UNEP FI principles for responsible banking report

## Principle 1: Alignment



We will align our business strategy to be consistent with and contribute to individuals' needs and society's goals, as expressed in the Sustainable Development Goals, the Paris Climate Agreement and relevant national and regional frameworks.

### Business model

Describe (high-level) your bank's business model, including the main customer segments served, types of products and services provided, the main sectors and types of activities across the main geographies in which your bank operates or provides products and services. Please also quantify the information by disclosing e.g. the distribution of your bank's portfolio (%) in terms of geographies, segments (i.e. by balance sheet and/or off-balance sheet) or by disclosing the number of customers and clients served.

OTP Group is one of the fastest growing financial service provider group within the Central and Eastern European region. As at the end of 2022, our Banking Group served nearly 16 million customers in eleven countries through its 1455 branches, agent networks, 4697 ATMs, internet and electronic channels and with its more than 35 000 employees.

In Hungary, OTP Bank Plc. is one of the largest commercial bank when measured in terms of banking assets. OTP is a universal bank, providing a high level of service to the financial needs of retail, private banking, micro and small business, medium and large enterprise and municipal customers, both through our domestic subsidiaries and branches and via the continuously developing innovative digital services. The Bank offers a comprehensive range of other financial services, including fund management, leasing, and factoring. Serving agricultural companies and small and medium-sized enterprises is a priority for OTP Group.

Besides Hungary, OTP Group currently operates in 10 countries of the region via its subsidiaries: in Albania (Banka OTP Albania SHA ), in Bulgaria (DSK Bank AD), in Croatia (OTP banka dioničko društvo), in Romania (OTP Bank Romania S.A.), in Serbia (OTP banka Srbija akcionarsko društvo Novi Sad), in Slovenia (SKB Banka d.d. Ljubljana), in Ukraine (Joint-Stock Company OTP Bank), in Moldova (OTP Bank S.A.), in Montenegro (Crnogorska Komercijalna Banka AD Podgorica) and in Russia (Joint Stock Company "OTP Bank").

The continued development and expansion of OTP Bank have significantly contributed to the successful and efficient operation of the Banking Group, which can provide high quality services for both the retail and the institutional clients.

<https://www.otpgroup.info/about/history>

<https://www.otpbank.hu/portal/en/AboutUs/OTPGroup>

## Strategy alignment

Does your corporate strategy identify and reflect sustainability as strategic priority/ies for your bank?

- Yes  
 No

Please describe how your bank has aligned and/or is planning to align its strategy to be consistent with the Sustainable Development Goals (SDGs), the Paris Climate Agreement, and relevant national and regional frameworks.

Does your bank also reference any of the following frameworks or sustainability regulatory reporting requirements in its strategic priorities or policies to implement these?

- UN Guiding Principles on Business and Human Rights  
 International Labour Organization fundamental conventions  
 UN Global Compact  
 UN Declaration on the Rights of Indigenous Peoples  
 Any applicable regulatory reporting requirements on environmental risk assessments, e.g. on climate risk - please specify which ones: -----  
 Any applicable regulatory reporting requirements on social risk assessments, e.g. on modern slavery - please specify which ones: -----  
 None of the above

OTP Group wants to play a regional leading role in financing a fair and gradual transition to a low-carbon economy and building sustainable future with its financing solutions.

The Group's responsibility for sustainable development starts with its business activities; we contribute to a financial infrastructure that is key to a well-functioning society by reducing risks and help achieve a more sustainable future by creating business opportunities. In addition to economic considerations, ethical, social and environmental risks are incorporated into our business decision-making, our business development and our operations.

OTP Group approaches ESG from three main perspectives: as a responsible service provider, as a responsible employer and as a responsible social player. In addition to business opportunities, the strategy includes the management of relevant risks as well as social and corporate governance objectives.

OTP Group has a strong will for its activity to serve for sustainable growth and social improvement, we committed to doing it with transparency and in line with Paris Agreement. We align our sustainability strategy with the Sustainable Development Goals. In order to avoid negative environmental and social impacts and to leverage potential business benefits, OTP Group considers sustainability a high priority, which received significant external attention in.

[https://www.otpgroup.info/static/sw/file/OTPGroup\\_ESG\\_approach.pdf](https://www.otpgroup.info/static/sw/file/OTPGroup_ESG_approach.pdf)

[https://www.otpbank.hu/static/portal/sw/file/OTP\\_Csoport\\_hozzajarulas\\_SDG.pdf](https://www.otpbank.hu/static/portal/sw/file/OTP_Csoport_hozzajarulas_SDG.pdf)

# Principle 2: Impact and Target Setting



We will continuously increase our positive impacts while reducing the negative impacts on, and managing the risks to, people and environment resulting from our activities, products and services. To this end, we will set and publish targets where we can have the most significant impacts.

## 2.1 Impact Analysis (Key Step 1)

Show that your bank has performed an impact analysis of its portfolio/s to identify its most significant impact areas and determine priority areas for target-setting. The impact analysis shall be updated regularly<sup>1</sup> and fulfil the following requirements/elements (a-d)<sup>2</sup>:

**a) Scope:** What is the scope of your bank’s impact analysis? Please describe which parts of the bank’s core business areas, products/services across the main geographies that the bank operates in (as described under 1.1) have been considered in the impact analysis. Please also describe which areas have not yet been included, and why.

The Group has conducted an analysis to identify the positive and negative impacts of company activities and to identify the areas with the most significant impacts, also considering the context in which it operates.

*IR page x*

We used the UNEP FI Portfolio Impact Analysis Tool to undertake an impact analysis of our portfolio. Due to the complexity of bank operations in different countries, the data collection required for the impact analysis is a major challenge. We are currently focusing on domestic market and the core business segments (retail and corporate).

In Hungary Climate change, green transition, inclusive and healthy economies, affordable housing, resource efficiency and security, water quality are identified as high impact areas. To ensure consistency of proposed targets with stakeholder expectations, the Materiality matrix has been cross referenced. Green finance was rated as the most important issue for our stakeholders, while economic prosperity, financial literacy and digitalization were ranked in the top three issues for stakeholders.

**b) Portfolio composition:** Has your bank considered the composition of its portfolio (in %) in the analysis? Please provide proportional composition of your portfolio globally and per geographical scope  
i) by sectors & industries<sup>3</sup> for business, corporate and investment banking portfolios (i.e. sector exposure or industry breakdown in %), and/or  
ii) by products & services and by types of customers for consumer and retail banking portfolios.

If your bank has taken another approach to determine the bank’s scale of exposure, please elaborate, to show how you have considered where the bank’s core business/major activities lie in terms of industries or sectors.

<sup>1</sup> That means that where the initial impact analysis has been carried out in a previous period, the information should be updated accordingly, the scope expanded as well as the quality of the impact analysis improved over time.

<sup>2</sup> Further guidance can be found in the [Interactive Guidance on impact analysis and target setting](#).

<sup>3</sup> ‘Key sectors’ relative to different impact areas, i.e. those sectors whose positive and negative impacts are particularly strong, are particularly relevant here.

Portfolio components by sector in Hungary			Links and references
Assets by sector, on-balance sheet exposure to own customers without leasing and consolidation, 31.12.2022.	Micro and small enterprises	Medium and large enterprises	
Agriculture, forestry, fishing	6%	5%	
Mining, quarrying	0%	0%	
Manufacturing	9%	10%	
Electricity, gas, steam and air conditioning supply	0%	8%	
Water supply; sewerage, waste management and remediation activities	0%	0%	
Construction	18%	5%	
Wholesale and retail trade; repair of motor vehicles and motorcycles	29%	14%	
Transportation and storage	6%	4%	
Accommodation and food service activities	4%	3%	
Information, communication	3%	0%	
Financial and insurance activities	0%	9%	
Real estate activities	6%	15%	
Professional, scientific and technical activities	5%	5%	
Administrative and support service activities	4%	2%	
Public administration and defence; compulsory social security	0%	3%	
Education	1%	0%	
Human health and social work activities	1%	0%	
Arts, entertainment and recreation	1%	0%	
Other services	5%	7%	
Activities of households as employers; undifferentiated goods for own use	0%	n/a	
Not classified	0%	9%	
<b>Total (HUF billions)</b>	<b>569.9</b>	<b>2772.0</b>	

OTP Group provides financial services to various sectors as described in 1. (Business model), some of which may present Environment and Social risks.

Based on the impact analysis, areas of high importance and risk in the countries of the OTP group and also relevant from the perspective of the financial sector:

- Housing problems
- Resources efficiency, security
- Inclusive&Healthy economies
- Education
- Justice&Equality
- Strong Institutions, peace&Stability

Based on the Impact Analysis, the areas of climate change and financial inclusion are among the most significant ones.

**c) Context:** What are the main challenges and priorities related to sustainable development in the main countries/regions in which your bank and/or your clients operate?<sup>4</sup> Please describe how these have been considered, including what stakeholders you have engaged to help inform this element of the impact analysis.

*This step aims to put your bank's portfolio impacts into the context of society's needs.*

Hungary has made progress in greening its economy and cutting emissions, but it needs to speed up efforts to replace fossil fuels with renewable energy sources, improve energy efficiency in buildings and promote sustainable transport.

Rising industrial activity and energy consumption are intensifying pressures on Hungary's environment. Yet the economic rebound is an opportunity to invest more in energy efficiency and renewables, to accelerate the transition to green growth and a circular economy. Fossil fuels make up around two thirds of Hungary's energy supply.

Residential housing is Hungary's biggest consumer of energy, with some 80% of buildings lacking modern, efficient heating systems. Introducing energy efficiency measures in new buildings could reduce related energy consumption by more than half.

We conducted an impact analysis to identify the positive and negative impacts of company activities and to identify the areas with the most significant impacts, also considering the context in which it operates. The organised and effective management of the Group's environmental impacts is one of the key issues that has emerged. Our ESG goals are identifying the risks related to climate and environmental change, evaluating their impact and gradually introducing metrics for measuring them, focusing first and foremost on identifying climate risks. In said context, OTP Bank has also launched a process of acquiring useful information for managing environmental risks and gradually integrating these factors into the Risk Management Framework.

With regard to credit exposures, our objective is to follow an integrated approach to take account of climate risks at all relevant stages of the credit process, by gradually implementing tools that make it possible to collect information and incentivise lending in sectors with significant ESG performance and support the transition of companies in said sectors towards a more sustainable business model and, ultimately, a smaller environmental footprint.

Links and references

<https://www.oecd.org/environment/hungary-has-made-progress-on-greening-its-economy-and-now-needs-to-raise-its-ambitions.htm>

Based on these first 3 elements of an impact analysis, what positive and negative impact areas has your bank identified? Which (at least two) significant impact areas did you prioritize to pursue your target setting strategy (see 2.2)<sup>5</sup>? Please disclose.

Based on the Impact Analysis, the areas of **climate change** and **financial health & inclusion** are among the most significant ones.

Links and references

**d) For these (min. two prioritized impact areas): Performance measurement:** Has your bank identified which sectors & industries as well as types of customers financed or invested in are causing the strongest actual positive or negative impacts? Please describe how you assessed the performance of these, using appropriate indicators related to significant impact areas that apply to your bank's context.

<sup>4</sup> Global priorities might alternatively be considered for banks with highly diversified and international portfolios.

<sup>5</sup> To prioritize the areas of most significant impact, a qualitative overlay to the quantitative analysis as described in a), b) and c) will be important, e.g. through stakeholder engagement and further geographic contextualisation.

In determining priority areas for target-setting among its areas of most significant impact, you should consider the bank's current performance levels, i.e. qualitative and/or quantitative indicators and/or proxies of the social, economic and environmental impacts resulting from the bank's activities and provision of products and services. If you have identified climate and/or financial health&inclusion as your most significant impact areas, please also refer to the applicable indicators in the [Annex](#).

If your bank has taken another approach to assess the intensity of impact resulting from the bank's activities and provision of products and services, please describe this.

*The outcome of this step will then also provide the baseline (incl. indicators) you can use for setting targets in two areas of most significant impact.*

In line with OTP Bank's ESG strategy, we have set a preliminary target to increase our loan portfolio in green assets to HUF 1,500 billion by 2025. Based on the results of our impact analysis and in line with our strategic goals and target setting requirements, we started by determining a baseline for 2021.

As a first step, OTP Bank, with the help of an external advisory firm (Klima Metrix), conducted a pilot estimation regarding its financed emissions. Based on the year-end 2021 exposure, we estimated the group-level GHG emissions attributable to the financing activity.

For this first-time calculation, we used the Partnership for Carbon Accounting Financials (PCAF) methodology, a widely used standard based on the Greenhouse Gas Protocol. We managed to include 81.3% of our year-end exposure in the calculation, and in accordance with the PCAF methodology, we have created 4 segments: business loans, mortgages, commercial real estate and motor vehicle loans. All economic sectors were included, but what was excluded - due to lack of guidance - was mainly unsecured residential loans.

In terms of accuracy, the PCAF defines five levels, with 1 being the most accurate and 5 the least accurate. Due to data availability issues, the experimental results show predominantly scores of 4 and 5, meaning that the calculation was based on average output at macroeconomic levels and where data were missing or inaccurate, proxies were used. This is a rough estimate, but the best currently possible. Our ability to quantify the impacts of increasing our green portfolio will improve over time, so this will help us to set our PRB's climate target even more accurately next year and refine it over time.

We will seek to refine the results of our future estimates of our financed emissions by expanding the range of data reported and improving the quality of the data already available. This will require collaboration not only between group members, but also with our clients in all countries and sectors of the OTP Group.

The aim is not only to increase our green portfolio and assess its environmental impact, but we are also making significant efforts to involve all areas of the bank's business and risk in defining and understanding what is needed to align the bank's long-term goals with the Paris Climate Change Agreement.

OTP Bank has been conducting surveys for ten years now to explore the Hungarian population's self-provision habits and behaviour and their responses to various economic situations, on a sample of 1,500 18-70 years old bank account holders. The main average of the OTP Self-provision rose from 34 to 37 points in 2022, the greatest positive change within a year in the history of the surveys. Another important result was an increase in the proportion of people having savings. The survey found that the majority of people consider it important to have savings. 95 percent of the respondents also reported of increases in their expenditures and 76% characterised this increase as "significant". The survey found that most people respond to the economic uncertainty consciously, by cutting their consumption and by increasing their savings to the extent possible, and by working out financial plans. Respondents who prepare financial plans for at least the next month formed the majority again for the first time since 2020.

#### Links and references



For several years, OTP Group has made it a priority to contribute to the improvement of the financial literacy of the population. We believe that conscious money management and self-provisioning are essential for financial well-being. To this end, we have produced general financial education videos on a variety of topics, and several of our campaigns focus on responsible money management.

As one of the top retail and commercial banks, we have the responsibility to support the development of inclusive and sustainable societies.

We believe we can help more people prosper and enjoy the benefits Financially empowered people of growth by empowering them financially, giving them access to tailored financial products and services, and improving their financial resilience through education. We aim to financially empower more people in the near future.

We seek to provide tailored finance to people with less access to credit. We offer solutions to unbanked and underserved groups. We aim to foster social mobility by helping low-income and underbanked entrepreneurs set up and grow their businesses.

### Self-assessment summary:

**Which of the following components of impact analysis has your bank completed, in order to identify the areas in which your bank has its most significant (potential) positive and negative impacts?<sup>6</sup>**

Scope:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> In progress	<input type="checkbox"/> No
Portfolio composition:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> In progress	<input type="checkbox"/> No
Context:	<input checked="" type="checkbox"/> Yes	<input type="checkbox"/> In progress	<input type="checkbox"/> No
Performance measurement:	<input type="checkbox"/> Yes	<input checked="" type="checkbox"/> In progress	<input type="checkbox"/> No

**Which most significant impact areas have you identified for your bank, as a result of the impact analysis?**

*Climate change mitigation, climate change adaptation, resource efficiency & circular economy, biodiversity, financial health & inclusion, human rights, gender equality, decent employment, water, pollution, other: please specify*

**How recent is the data used for and disclosed in the impact analysis?**

- Up to 6 months prior to publication
- Up to 12 months prior to publication
- Up to 18 months prior to publication
- Longer than 18 months prior to publication

Open text field to describe potential challenges, aspects not covered by the above etc.: *(optional)*

<sup>6</sup> You can respond "Yes" to a question if you have completed one of the described steps, e.g. the initial impact analysis has been carried out, a pilot has been conducted.



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**This is a translation of the Hungarian Report  
INDEPENDENT ACCOUNTANT'S ASSURANCE REPORT**

**To the management of OTP Bank Nyrt.**

**Scope**

Ernst & Young Könyvizsgáló Kft. ("we" or "EY") have been engaged by OTP Bank Nyrt. ("OTP Bank") to perform a 'limited assurance engagement,' as defined by International Standards on Assurance Engagements, here after referred to as the engagement, to report on the 'Sustainability Activities of the OTP Group in 2022', the 'Sustainability Reporting Annex' and the 'GRI Content Index' ("Sustainability Report") prepared by OTP Bank for the financial year from 1 January 2022 to 31 December 2022 ("Subject matter") in accordance with the Global Reporting Initiative Standards 2021 ("GRI Standards" or "Criteria").

The scope of our work is to express limited assurance regarding the Subject matter, by expressing:

- ▶ conclusion on five specific sustainability disclosures in the Subject matter whether those are in line with the requirements of the Criteria:
  - 205-3 Confirmed incidents of corruption and actions taken
  - 302-1 Energy consumption within the organization
  - 404-1 Average hours of training per year per employee
  - 404-3 Percentage of employees receiving regular performance and career development reviews
  - FS13 Access points in low-populated or economically disadvantaged areas by type
- ▶ conclusion whether the Subject Matter overall fulfils the Criteria.

Other than as described in the preceding paragraph, which sets out the scope of our engagement, we did not perform assurance procedures on the remaining information included in the Subject Matter, and accordingly, we do not express a conclusion on this information.

**OTP Bank's responsibilities**

OTP Bank's management is responsible for selecting the Criteria, and for presenting the Subject Matter in accordance with that Criteria, in all material respects. This responsibility includes establishing and maintaining internal controls, maintaining adequate records and making estimates that are relevant to the preparation of the Subject Matter, such that it is free from material misstatement, whether due to fraud or error.

**EY's responsibilities**

Our responsibility is to express a conclusion on the presentation of the Subject Matter based on the evidence we have obtained.

We conducted our engagement in accordance with the International Standard for Assurance Engagements Other Than Audits or Reviews of Historical Financial Information ('ISAE 3000 Revised'), and the terms of reference for this engagement as agreed with OTP Bank Nyrt. on 3 February 2023. Those standards require that we plan and perform our engagement to obtain limited assurance about whether, in all material respects, the Subject Matter is presented in accordance with the Criteria, and to issue a report. The nature, timing, and extent of the procedures selected depend on our judgment, including an assessment of the risk of material misstatement, whether due to fraud or error.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our limited assurance conclusions.

#### **Our Independence and Quality Control**

We have maintained our independence and confirm that we have met the requirements of the Code of Ethics for Professional Accountants issued by the International Ethics Standards Board for Accountants (IESBA) and have the required competencies and experience to conduct this assurance engagement.

Our firm applies International Standard on Quality Management (ISQM) 1, Quality Management for Firms that Perform Audits or Reviews of Financial Statements, or Other Assurance or Related Services Engagements and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

#### **Description of procedures performed**

Procedures performed in a limited assurance engagement vary in nature and timing from and are less in extent than for a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. Our procedures were designed to obtain a limited level of assurance on which to base our conclusion and do not provide all the evidence that would be required to provide a reasonable level of assurance.

Although we considered the effectiveness of management's internal controls when determining the nature and extent of our procedures, our assurance engagement was not designed to provide assurance on internal controls. Our procedures did not include testing controls or performing procedures relating to checking aggregation or calculation of data within IT systems.

A limited assurance engagement consists of making enquiries, primarily of persons responsible for preparing the Subject Matter and related information and applying analytical and other appropriate procedures.

#### **Our procedures included:**

- ▶ We conducted interviews with key personnel and management of OTP Bank from the Real Estate Operations Department, Human and Organization Development Directorate, Retail Customer Tribe, Digital Infrastructure Services Directorate, and Compliance Directorate organizational units to understand the process for collecting, collating and reporting the Subject matter during the reporting period from 1 January 2022 to 31 December 2022.

- ▶ We conducted an interview with key personnel of the CSR Group on the application of GRI Standards during the reporting process.
- ▶ We conducted an interview with the leader of the ESG Operating Subcommittee.
- ▶ We reviewed the narrative content of the Subject matter and the presentation of the selected disclosures to assess whether:
  - ▶ The selected disclosures in the Subject Matter are consistent with other information obtained from interviews or from internal policies or other external or internal communications about OTP Bank's sustainability agenda.
  - ▶ The selected disclosures in the Subject Matter are consistent with the requirements of the Criteria.
- ▶ We reviewed the reporting of the selected five sustainability disclosures by:
  - Conducting interviews with the OTP Bank specialists responsible for managing, collating, and reviewing data at the corporate level.
  - Observing whether the data was generated and presented according to the Criteria set for the specific disclosures.
  - Undertaking analytical review procedures on each sustainability disclosure, i.e.: report of ethic hotline cases; energy consumption data; annual training hours per employees; performance reviews of employees; number and location of ATM machines on the data.

We also performed such other procedures as we considered necessary in the circumstances.

#### Conclusion

Based on our procedures and the evidence obtained, we are not aware of any material modifications that should be made to the Subject Matter, in order for it to be in accordance with the Criteria.

Budapest, Hungary

18 April 2023

(The original Hungarian version has been signed.)

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